



WORLD PORT MN

**LAKE SUPERIOR WAREHOUSING CO., INC.  
at CLURE PUBLIC MARINE TERMINAL**

DEPT. OF TRANSPORTATION  
DOCKETS

2003 FEB 11 P 3:17

[www.lakesuperiorwarehousing.com](http://www.lakesuperiorwarehousing.com)

22041

1200 Port Terminal Drive  
Duluth, MN 55802

P. O. Box 16390  
Duluth, MN 55816

Telephone: (218) 727-6646

Telefax: (218) 727-6649

5 February 2003

Admiral Thomas Collins, Commandant  
United States Coast Guard  
2100 Second Street S.W.  
Washington, DC 20593

Rear Admiral Paul J. Pluta, Assistant Commandant  
Marine Safety, Security and Environmental Protection  
United States Coast Guard  
2100 Second Street S.W.  
Washington, DC 20593

Re: Docket (USCG-2002-11288) - 42  
Proposed Rulemaking - Rates for Pilotage on the Great Lakes

On January 23, 2003, the United States Coast Guard published a proposed rulemaking to adjust rates for pilotage services on the Great Lakes (USCG-2002-11288). The Coast Guard proposes to increase rates in each pilotage district under their jurisdiction at levels from 3% to 62% with an overall increase of approximately 26%.

This dramatic increase will undoubtedly have a significant impact on every stakeholder involved in maritime commerce on the Great Lakes. Lake Superior Warehousing Co., Inc., is the terminal operator and stevedore at the Arthur M. Clure Public Marine Terminal at the port of Duluth, MN. Lake Superior Warehousing began in this capacity in January of 1991. The economic competition for cargo between the Great Lakes and gulf ports, for tonnage from Europe to the upper midwest, is already so competitive that we have been unable to increase our handling rates for major maritime commodities once in 12 years of operation, even though we have sustained increased costs in every one of those 12 years.

Finally, effective for 2003, we have been successful in obtaining marginal increases on our major maritime cargoes averaging 4.5%. This after 12 years of no increases at all!

Wagenborg Shipping B.V. Delfzijl, The Netherlands, is a major steamship operator in the Great Lakes. We are attaching a copy of a letter from Mr. Hans Kroon, Director of Chartering, North America, for Wagenborg Shipping, which is addressed to Mr. Norman Mineta, Secretary, U. S. Department of Transportation. Wagenborg operated 41 ships in and out of the Great Lakes during 2002. Wagenborg is expressing their own very serious concerns of a detrimental impact on their business within the Great Lakes if these dramatic increases in pilotage are placed into effect.

We believe it would be a tragedy to publish an Interim Final Rule on or before February 14, 2003, with an effective date of March 15, 2003. We believe that many stakeholders in the Great Lakes will be negatively affected by this action and that the matter needs more study and the benefit of public comment. We hope that the United States Coast Guard can delay this action at least long enough to allow the public to be heard on the matter and after the public has had an opportunity to review the evidence supporting these dramatic increases.

Sincerely,  
LAKE SUPERIOR WAREHOUSING CO., INC.

*Gary W. Nicholson*  
Gary W. Nicholson  
President

cc: The Honorable James L. Oberstar  
U. S. House of Representatives  
2365 Rayburn House Office Bldg.  
Washington, DC 20515

The Honorable David R. Obey  
U. S. House of Representatives  
2314 Rayburn House Office Bldg.  
Washington, DC 20515

The Honorable Mark Dayton  
U. S. Senate  
346 Senate Russell Office Bldg.  
Washington, DC 20510

The Honorable Norm Coleman  
U. S. Senate  
B3 Senate Dirksen Office Bldg.  
Washington, DC 20510

The Honorable Herbert H. Kohl  
U. S. Senate  
330 Senate Hart Office Bldg.  
Washington, DC 20510

The Honorable Russell D. Feingold  
U. S. Senate  
330 Senate Hart Office Bldg.  
Washington, DC 20510

Mr. Norman Mineta  
Secretary, U. S. Department of Transportation  
c/o Docket Management Facility  
USCG 2002-11288  
Room PL 401  
400 Seventh Street S. W.  
Washington, DC 20590

Mr. Hans Kroon  
Wagenborg Shipping B.V.  
Marktstraat 10  
9934 CK Delfzijl, The Netherlands (fax 011-31-59-661-3581)

Mr. Steven A. Fisher  
American Great Lakes Ports  
P.O. Box 76228  
Washington, DC 20013

Mr. Albert S. Jacquez  
Administrator  
St. Lawrence Seaway Development Corp.  
400 Seventh Street S. W., #5424  
Washington, DC 20590

Mr. Davis Helberg, Executive Director  
Duluth Seaway Port Authority  
1200 Port Terminal Drive  
Duluth, MN 55802



# WAGENBORG SHIPPING B.V.

## Secretary of Transportation

Mr Norman Mineta  
C/O Docket Management Facility  
USCG 2002 - 11288  
U.S. Department of Transportation  
Room PL 401  
400 Seventh Street, SW., Washington

Marktstraat 10, 9934 CK Delfzijl  
P.O. Box 14, 9930 AA Delfzijl  
The Netherlands  
Telephone +31 (0)596 636911  
Telex Chartering 53062  
Telex Agency 53019  
Telefax General +31 (0)596 636250  
Telefax Chartering +31 (0)596 613581  
Bank ABN-AMRO, Delfzijl  
Account no. 57.17.92.898  
Bank ING, Delfzijl  
Account no. 65.36.67.450  
Postbank no. 5691802  
Trade reg.: Groningen 02309120  
VAT no. NL800242956803

Our ref.:  
Your ref.: FAX: 001-202-493-2251

Delfzijl, 28 januari 2003

Dear Mr Mineta,

We are Wagenborg Shipping BV; a ship owning principal which trades approximately 40 ships a year into the Great Lakes. We have heard that the US Great Lakes Pilots have proposed an increase to the pilotage rates as follows:

Area 1 - St Lawrence River - Snell to Cape Vincent - 23%  
Area 2 - Lake Ontario - 62%  
Area 4 - Lake Erie - 31%  
Area 5 - Southeast Shoal to Port Huron - 17%  
Area 6 - Lake Huron and Lake Michigan - 20%  
Area 7 - St Mary's River - 3%  
Area 8 - Lake Superior - 28%

We are of the opinion that these levels of increases are unacceptable and we feel that they will have a detrimental impact on our business. We request that the comment period will be extended so that this matter can be properly reviewed and all concerned parties can make their comments be heard.

Regards,

Hans Kroon

Chartering Dept. North America

Op alle door ons afgesloten contracten en verrichte diensten zijn van toepassing de Algemene Voorwaarden van de Vereniging van Noord-Nederlandse Scheepvaartkantoren, gedeponeerd ter griffie van de arrondissementsrechtbank te Groningen op 18 juni 1997.  
To all contracts closed and services rendered by us are applicable the general conditions of the Association for North-Netherlands Shipbrokers, filed in the Registry of the District Court at Groningen on the 18th June 1997.

WAGENBORG GROUP



DI 1402 REGULATION A.86 (17)  
(ADOPTED VERSION 6 NOVEMBER 1991)